

June 24, 2002

MEMORANDUM

TO: Purchasing Offices
Departments, Institutions, Agencies
Commonwealth of Virginia

FROM: Ron Bell
Director

SUBJECT: Procurement Information Memoranda (PIM) #98-011

Enclosed is PIM #98-011, effective July 1, 2002, representing several changes to the September 1998 edition of the *Agency Procurement and Surplus Property Manual (APSPM)*. The changes are noted in the table below. All changes to the *APSPM*, including PIM 98-011, will be incorporated into a web-based *APSPM*, which will be downloadable from the eVA and Division of Purchases and Supply web sites at www.eva.state.va.us and www.dgs.state.va.us/dps, respectively, on 7/1/02. The location of text changes for each PIM issued is indicated by an arrow in the margin (—►) with the corresponding PIM number identified next to the changes. Page numbers have been deleted in most cases. Sections are identified by the cite number. Those sections added or changed are attached showing the new or revised language.

Appendix C contains a log in which to list the PIM number and date of revision. This letter and the corresponding PIM #98-011 should be filed in the back of the Appendix C log.

Section	Summary of Changes
3.2c, Annex 3-C and Annex 3-D	The Commonwealth of Virginia Standard Performance Bond, CO-10, DGS form # DGS-30-084 and the Standard Labor and Material Payment Bond, CO-10.1, DGS form # DGS-30-088 were revised effective 3/02. Delete Annex 3-C and Annex 3-D. 3.2c is revised to show that Bond forms can be downloaded from the DGS/Division of Engineering and Buildings web site under the Construction and Professional Services Manual at http://deb.dgs.state.va.us/ .
3.10c	Minority participation guidelines are revised to strongly encourage minority and/or women-owned business participation. Limits remain unchanged.
3.14b (1) and (2) 9.1c	Section 3.14 b(1) on Preferences for Virginia Products and Vendors is revised to be consistent in language to 3.24 on Tie Bids. Reference to Y2K issues are deleted in sections 3.14b(2) and 9.1c.

3.14e and f	Under Preferences, two new sections are added to address e. - Recycled Oil and Recycled Antifreeze and f. – Use of Recycled Goods or Products.
3.16c	3.16c is revised so that any subsequent bids/proposals received on the same solicitation shall constitute the withdrawal of any prior bid or proposal submitted by the same bidder or offeror.
3.18	Solicitation and award posting requirements are changed to \$30,000. eVA is designated as the official public posting location. 4.29 on VBO advertising is deleted and is incorporated into 3.18. Language in 3.18c is modified to show posting requirements over \$50,000 refer to solicitation notices.
3.24a	Tie bid wording was modified in PIM 98-008. The correct wording was shown in the table; however the directions for modifying the language in the manual were incorrect. The correct wording is added to the manual in 3.24a.
3.25	3.25 on Electronic Commerce is modified to delete the opening paragraph and section a. Current section b and c have been re-numbered as a and b respectively. Section a allows On-line buying if authorized by exclusions to purchasing through eVA in Chapter 14.
Annex 3-B	Annex 3-B is revised to show new competition limits for Quick Quote and the change in posting and VBO advertising requirements to \$30,000.
4.27	The last line of 4.27, pertaining to samples, is changed to read: "The file must be documented as to disposition of the samples." Delete the parenthetical.
4.29	VBO advertising requirements and electronic posting instructions in 4.29 are deleted. Advertising requirements are incorporated in 3.18; posting instructions are on the eVA web site (www.eva.state.va.us). VBO advertising is required for goods and services over \$30,000.
4.34	A new section is added to address the procurement of shielded outdoor light fixtures. A written waiver from the requirement may be obtained through DGS/DPS under certain circumstances outlined in the section.
Annex 4-D	Annex 4-D is deleted in reference to VBO Advertising, the form, and instructions.
Annex 4-G	Annex 4-6, Employee or Independent Contractor? Factors to Consider removes current guidance but provides the web site address for Publication 15-A by the Department of Treasury, Internal Revenue Service, concerning the classification of an employee versus an independent contractor.
8.5 and 8.6	Public posting award notice requirements are changed for sole source procurements. Posting of award notices for sole source procurements are changed.
9.3a and b	Emergency documentation relating to Y2K emergencies is deleted. Emergency posting requirements have changed.
14.4a and 14.4b	14.4 a and b are revised concerning purchases from mandatory sources, mandatory use contracts, optional use contracts, and pricing agreements through the use of eVA by July 1, 2002, to the fullest extent possible.
14.5f and 14.5g	14.5f changed threshold limits from \$15,000 to \$50,000 to \$15,000 to \$30,000 in Quick Quote, requiring 4 valid sources. The threshold limit for use of Quick Quote is changed to \$30,000. Solicitation notices for Quick Quote are not required to be posted on the eVA web site over \$30,000.

14.9	The heading of 14.9 is changed from Exclusions to the Use of eVA to Use of eVA and Exclusions. The revised section includes information on use of eVA by agencies/institutions with or without Enterprise Resource Planning (ERP) systems. It offers guidance for contract officers on when to use the eVA Business-to-Government Registration clause and/or the Price Escalation/De-escalation clause when issuing new solicitations or renewing existing contracts.
14.9b	Under review, and temporarily excluded from eVA, are contracts established with commercial fisherman to engage in replenishment, research and stock assessment activities.
Appendix A	The definitions of Designated Public Area and Public Posting are deleted.
Appendix B, Section I, Clause A., Vendors Manual	General Term and Condition A, Vendors Manual clause, is revised to include a statement that the Vendors Manual is accessible via the DGS/DPS web site. It also adds the Commonwealth's claims provision, which must be stated in the contract or specifically incorporated by reference.
Appendix B, Section I, Clause U., Announcement of Award	As required by the <i>Code of Virginia</i> , § 2.2-4301, DGS/DPS has designated eVA as the public Internet procurement web site for the purpose of posting public procurement notices. The Announcement of Award clause is modified to add eVA as the official site.
Appendix B, Section I Clause X., eVA Business-to-Government Registration	General Term X, eVA Business-to-Government Registration, is revised to include language relating to the 1% eVA transaction fee not being collected by AMS for the period July 1, 2002 through June 30, 2003.
Appendix B, Section II, Clause 43, Price Escalation/De-escalation	The Price Escalation/De-escalation clause is revised to include a provision allowing an increase in vendor prices relating to the 1% eVA transaction fee.
Appendix B, Section II, Clause 45, Printing Overruns/Underruns	The Special Term and Condition for Printing RAST, clause #45 is revised and renamed to Overruns/Underruns.

If you should have questions about the changes noted, please contact Nancy M. Davis at 804-786-0323 or ndavis@dgs.state.va.us.

PIM 98-011 → 3.2 c

c. **Bonds on Construction Contracts.** Upon award of a construction contract exceeding \$100,000, the contractor shall furnish a Performance Bond and a Payment Bond, each in the sum of the contract. Each bond shall be executed by one or more surety companies that are legally authorized to do business in Virginia. Form E&B CO-10 Commonwealth of Virginia Standard Performance Bond, form #DGS-30-084, and form E&B CO-10.1 Commonwealth of Virginia Standard Labor and Material Payment Bond, form #DGS-30-088, shall be used. (Forms may be downloaded from the DGS/Division of Engineering & Buildings web site, <http://deb.dgs.state.va.us/BCOM/>).

PIM 98-011 → Annex 3-C – Delete
 → Annex 3-D - Delete

3.10 c. As a way to encourage minority and women-owned businesses to participate in bidding opportunities among agencies and institutions, the following actions are strongly recommended where there is adequate registration in the commodity:

- PIM 98-011 →
- (1) Solicitations over \$5,000 to \$15,000 expand to include a minimum of two minority and/or women-owned businesses.
 - (2) Solicitations over \$15,000 to \$50,000 expand to include a minimum of four minority and/or women-owned businesses.
 - (3) Solicitations over \$15,000 should provide for subcontracting with minority and women-owned businesses. See Appendix B, Section II, for sample clause.
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→ **3.14b(2): Expired - Delete. 3.14 b now reads:**

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b. **Virginia Vendors and Products.** Preference is given to goods produced in Virginia, goods or services or construction provided by Virginia persons, firms or corporations, in the event of a tie bid (see 3.24a).

→ 9.1c: Delete all of paragraph c. in 9.1 pertaining to Y2K and emergency procurements.

3.14 e and f:

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- e. **Recycled Oil and Recycled Antifreeze Preference.** The preference applies to lubricating oils containing re-refined oil or reprocessed oil, including engine lubricating oils, hydraulic fluids, and gear oils, excluding marine and aviation oils and reclaimed engine coolants, excluding coolants used in non-vehicular applications. It also applies to recycled antifreeze and other lubricants such as transmission, hydraulic and specialty oils, brake fluid and greases. Recycled oils shall meet American Petroleum Institute (API) and original equipment manufacturer's (OEM) standards and shall be API or equivalently certified. Recycled antifreeze (ethanol glycol) shall meet OEM standards and shall meet the cooling, freeze protection and corrosion resistance requirements of gasoline, diesel, propane, and natural gas engines with or without aluminum blocks.

In developing the specifications for oil and antifreeze products as defined above, preference shall be given to products containing recycled oil and/or antifreeze, so long as the price is not more than 10% greater than the price of a non-recycled oil and/or antifreeze meeting specification and certification requirements.

- f. **Use of Recycled Goods or Products.** Any person who believes that particular goods or products with recycled content are functionally equivalent to the same goods or products produced from virgin materials may petition the procuring agency or institution to include the recycled goods or products in its procurement process. The petitioner shall submit documentation which establishes that the goods or products (i) contain recycled content and (ii) can meet the performance standards set forth in the applicable specifications prior to bid/proposal due date. If the procuring agency or institution which receives the petition request determines that the documentation demonstrates that the goods or products with recycled content will meet the performance standards set forth in the applicable specifications, it shall incorporate such goods or products into its procurement process. (See *Code of Virginia* § 2.2-4313.)

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3.16

- c. **Limitation on Submitting Bid for Same Procurement.** Submission of a subsequent bid/proposal, unless specifically identified as an additional bid/proposal, shall constitute the withdrawal of any prior one submitted by the same bidder or offeror on the same solicitation.

3.18

Publicly Posted Notices. All solicitation, addenda and award actions over \$30,000 shall be posted on the DGS single electronic procurement web site (*Code of Virginia*, § 2.2-4301). The designated web site is www.eva.state.va.us. Notices shall be posted on the eVA web site under VBO Ads. (Note: Only award notices for emergency and sole source actions are required to be posted.) Awards shall be posted on the Awards page. Once the advertisement has been created and the solicitation uploaded, the advertisement will be available for viewing within one (1) business day. The agency must post the solicitation notice on the eVA web site and include access to an electronic version of the solicitation. Public notices may also be posted under \$30,000 and in other locations, such as notice boards, or web sites; however, sufficient time should be allowed if advertising procurements under \$30,000 to allow adequate time for competition. The eVA web site provides instructions on posting solicitation and award notices.

- a. Written solicitation notices over \$30,000 to \$50,000 must be posted for the time period established in the solicitation, e.g., 3 days, 6 days, 10 days, etc., for receipt of unsealed bids or unsealed proposals. Notices shall indicate prebid conferences or site visits when applicable. When canceling or amending a solicitation, a copy of the notice or addendum must be publicly posted on the eVA web site under VBO Ads. In RFPs, the weights assigned to the evaluation factors shall be posted prior to the opening of proposals if they were not stated in the unsealed RFP.
- b. IFB solicitation notices over \$50,000 must be posted on the DGS/DPS eVA web site. Notices may also be published in a newspaper of general circulation, or both, at least ten (10) days prior to the date set for receipt of bids. Notices may be in the form of a copy of the cover sheet to the solicitation, with prebid conferences or site visits indicated when applicable. When canceling or amending a solicitation, a copy of the notice or addendum must be publicly posted on the eVA web site under VBO Ads.
- c. When issuing RFPs estimated to be over \$50,000, the solicitation notice shall be posted on the DGS/DPS eVA web site at least 10 days and published in a newspaper or newspapers of general circulation in the area in which the contract is to be performed. The newspaper notice need only be a brief summary of essential elements of information (*Code of Virginia*, § 2.2-4301). Preproposal conferences or site visits should be indicated on the cover sheet of the solicitation when applicable. When canceling or amending a solicitation, a copy of the notice or addendum must be publicly posted on the eVA web site under VBO Ads.
- d. Award Notices over \$30,000 must be posted for a ten (10) day period immediately following the actual time of award. If used, the Notice of Intent To Award must be posted ten days prior to the actual time of award (see also 4.12d). Emergency notices must state that the contract is being issued on an emergency basis while sole source notices must state that only one source was determined to be practicably available and both must also state that which is being procured, the contractor selected, and the date on which the contract was or will be awarded. Routine award notices may be a copy of the bid tabulation sheet revealing bidders prices and indicating the bidder receiving the award. IFB and RFP solicitations must contain the General Term and Condition on Announcement of Award (see Appendix B, Section I. U.). The award notice shall be posted on the eVA web site and in any additional locations as prescribed in the solicitation for a ten (10) day period immediately following the actual time of award (*Code of Virginia*, § 2.2-4360).

NOTE: The procurement records must be available for review by any bidder or offeror at the time a Notice of Intent To Award or an Award Notice is posted.

- e. Documentation to support the posting/advertising requirements over \$50,000 must be contained in or attached electronically to the procurement record. It is not necessary to date/time stamp routine award notices or to file them when they are removed from posting; however, the agency or institution must ensure that the posting requirement is met and be able to withstand protest/challenge pertaining to compliance with the posting requirement. It is recommended that the procedure for posting and removing notices be made a part of the agency's or institution's written internal policies and procedures (see 1.2). If a protest is anticipated, the Notice of Intent to Award should be date/time stamped when it is posted and removed, and it should be made part of the procurement file.

3.24 **Tie Bids**PIM 98-011
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- a. **Virginia Products and Firms.** In the case of a tie bid, preference shall be given to goods produced in Virginia, goods or services or construction provided by Virginia persons, firms or corporations, if such choice is available (see 3.14b); otherwise the tie will be resolved by the toss of a coin. The coin toss must be witnessed and the results recorded by a supervisor above the level of the buyer. Award(s) are to be made in favor of the Virginia bidder for tie line items and multiple purchase orders or contracts placed as required. Copies of tie bids resulting from competitive sealed bidding shall be forwarded to the Anti Trust Section of the Office of The Attorney General.
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3.25 **Electronic Commerce**PIM 98-011
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- a. **On-Line Buying.** Agencies and institutions may purchase goods and services through the Internet if authorized by exclusions to purchasing through eVA in Chapter 14, by using the SPCC and transmitting the card number or by Electronic Purchase Order up to \$5,000.

Security Requirements - In order to procure goods or services through the Internet, the vendor must have a Secure Socket Layer (SSL) Version 2.0 or greater. It is the agency's responsibility to ensure the vendor meets the SSL 2.0 requirement before placing an order and using the SPCC as a method of payment. To ensure the vendor has a SSL, the Address Window must start with https://. The https:// may not be seen until the payment information is requested. For information about the vendor's security certification, check under Help on your browser's tool bar. Buying through the Internet might subject an agency or an institution to the vendor's terms and conditions if no MOU exists. Agencies are encouraged to establish a MOU with vendors they conduct business with on a regular basis.

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- b. **Travel.** Air and rail tickets may be purchased using the Air Travel Card, the Small Purchase Charge Card issued to agencies and institutions or the Travel Charge Card issued to individuals. Any of these methods may be used to purchase air and rail tickets, including the purchase of tickets over the Internet.

Annex 3-B**Summary of Procurement Policies****I. Small Purchases - Goods and Services, other than Professional Services**

Thresholds	Procedures
Up to \$5,000	One documented quote required. (Use of the Small Purchase Charge Card is encouraged up to \$5,000.)
Over \$5,000 to \$15,000	Solicit a minimum of three valid sources (by telephone, in writing or electronically). It is strongly encouraged to expand the solicitation list to include a minimum of two minority and/or women-owned businesses.
Over \$15,000 to \$50,000	Solicit a minimum of four valid sources (by facsimile with written description furnished by agency/institution, unsealed written IFB/RFP or use Quick Quote up to \$30,000). It is strongly encouraged to expand the solicitation list to include a minimum of four minority and/or women-owned businesses. Advertising in the <i>Virginia Business Opportunities (VBO)</i> on the eVA web site (www.eva.state.va.us) is required over \$30,000 for goods and services.

II. Competitive Sealed Bidding or Competitive Negotiation (Code of Virginia, § 2.2-4301 and §2.2-4303)

Threshold	Procedures
Over \$50,000; may be used for lesser amounts.	Solicit a minimum of six valid sources in writing, including electronically through eVA. Use one of the following methods: 1 - Competitive sealed bidding. 2 - Two-step competitive sealed bidding. 3 - Competitive negotiation. A written justification is required for use of #3. Required for purchases over \$50,000 unless an exception (see III. below)

III. Exceptions To Competitive Procurement (Code of Virginia, § 2.2-4303 E and F)

Thresholds	Procedures
Emergency (See Chapter 9)	Take immediate action if required to protect personal safety or property. Other emergencies, seek competition to the extent practicable. Requires written determination signed by the agency/institution head or designee.
Sole Source (Unlimited dollar amounts) (See Chapter 8)	Obtain and document a quote up to \$15,000. Over \$15,000, a written quotation must be obtained from the vendor. Requires written justification approved in advance by the agency/institution head. Over \$10,000 requires approval from DGS/DPS. Agencies and institutions may make contract awards after appropriate approval. Purchase using noncompetitive negotiation.
Used Equipment up to \$50,000	Competition not required. See 1.5c & 4.17.

IV. Exemption from Purchasing through DGS/DPS

Thresholds	Procedures
Various	See 1.5

► **Note:** Public posting required for all solicitation and award actions exceeding \$30,000 (see 3.18).

4.27 Delete the parenthesis at the end of the last line in 4.27 and change the last line to read:

The file must be documented as to disposition of the samples.

PIM 98-011 → 4.29 **VBO Advertising.** See 3.18 for VBO advertising requirements. VBO electronic posting instructions are on the eVA web site (www.eva.state.va.us) under VBO Ads.

Chapter 4 cover page: Add the listing for new section 4.34 on page 1 under "In this Chapter look for..."

PIM 98-011 → 4.34 **Procurement of Outdoor Light Fixtures**

Add new section 4.34:

PIM 98-011 → 4.34 **Procurement of Outdoor Light Fixtures:** All state agencies and institutions shall procure only shielded outdoor light fixtures, unless exempted in writing by DGS/DPS. A shielded outdoor light fixture is an outdoor light fixture that is (i) fully shielded so that no light rays are emitted by the installed fixture above the horizontal plane or (ii) constructed so that no more than two (2) percent of the total luminaire lumens in zone of ninety to 180 degrees vertical angles is permitted, if the related output of the luminaire is greater than 3200 (§ 2.2-1111.B.3 *Code of Virginia*). Measurement details for shielded outdoor light fixtures may be found in Illuminating Engineering Society of North America Guide LM-64-01, *Photometric Measurements of Parking Areas* (Newly Revised) which is available for order at www.IESNA.org under the "Publications" tab.

If an agency/institution has a bona fide reason for not complying with this section, the agency/institution may submit a request for waiver from this requirement to DGS/DPS on a "Procurement Exemption Request" form, which can be found in Annex 13-D of this manual. Bona fide reasons for not complying include operational, temporary, safety or specific aesthetic need is indicated or that such fixtures are not cost effective over the life cycle of the fixtures.

The provisions of this section shall not apply to the procurement of outdoor light fixtures by the Virginia Department of Transportation until July 1, 2004.

Annex 4-D Delete Annex 4-D in reference to VBO Advertising, the form, and instructions.

PIM 98-011 → Annex 4-G **Employee or Independent Contractor? Factors to Consider**
Guidance in making the determination concerning the classification of an employee versus an independent contractor is available from the Department of Treasury, Internal Revenue Service, in Publication 15-A. It may be found on the IRS web site. The web address for this publication is <http://www.irs.gov/pub/irs-pdf/p15a.pdf>.

→ 8.5 **Posting Requirements.** For sole source procurements over \$30,000, award notices must state that only one source was determined to be practicably available and must also state that which is being procured, the contractor selected, and the date on which the contract was or will be awarded (see 3.18 for additional guidance). See Annex 8-E for the proper form.

PIM 98-011 → 8.6 **Award Document.** Agencies must issue an award document (PO or contract) for sole source purchases that are over \$5,000, and post a notice of award for requirements over \$30,000. When a quote has been obtained from the vendor and no further negotiations are needed, a purchase order is acceptable. When complicated negotiations have been involved, it may be in the agency's best interest to use the Commonwealth of Virginia Standard Contract form found in Annex 8-D.

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9.3 a and b:

9.3 **Documentation**.

- a. **Written Determination.** Prepare a written determination for signature by the agency head or designated representative indicating the nature of the emergency, the reason for selection of the particular contractor and include such determination with the file.
- b. **Posting Requirements.** Issue, post and/or publish required written notice. Emergency notices shall be posted on the DGS/DPS eVA web site (see 3.18 and www.eva.state.va.us for instructions for uploading procurement notices). For emergency procurements over \$30,000, notices must state that the procurement has been declared an emergency and must also state that which is being procured, the contractor selected, and the date on which the contract was or will be awarded (see 3.18 for further guidance). See Annex 9-B for the proper form.

14.4

- a. **Mandatory Sources and Mandatory Use Contracts (see 2.1):** Agencies and institutions shall place all orders through eVA on mandatory use contracts; this should begin immediately with full compliance no later than July 1, 2002, to the fullest extent possible. Purchases may be made up to any dollar amount unless otherwise limited by the specific mandatory source or contract. Exception to the use of a mandatory source or contract must be approved in advance, in writing, by an official of the mandatory source, or the contract officer in the case of a DGS/DPS contract, utilizing the Procurement Exemption Request form located at Annex 13-D. Approved requests must be attached to the purchase transaction file either electronically or by hard copy.
- b. **Optional Use Contracts and Pricing Agreements (see 2.2a.):** Orders for items available on optional use contracts or pricing agreements shall be placed through eVA; this should begin immediately with full compliance no later than July 1, 2002, to the fullest extent possible. Purchases may be made up to any dollar amount unless otherwise limited by the specific contract. Such contracts allow for purchases from other sources; however, if it is to be made from another source and the total cost exceeds the single quote limit, the requirement must be competed.

14.5 e. & f.: Change Quick Quote thresholds in 14.5f to between \$15,000 and \$30,000 and in 14.5g to over \$30,000.

- f. **Quick Quote (over \$15,000 to \$30,000):** The same procedure as stipulated in above paragraph 14.5e shall apply when soliciting competition via Quick Quote for non-contract requirements between \$15,000 and \$30,000, except substitute the number four wherever three is shown. Quick Quote solicitation and award notices are not required to be posted on the eVA web site.
- g. **Quick Quote (over \$30,000):** Quick Quote shall not be used to solicit competition for requirements exceeding \$30,000; however, emergency purchase requirements meeting the criteria of paragraph 9.1 may be solicited via Quick Quote up to any dollar amount.

14.9

Use of eVA and Exclusions: Orders from mandatory sources, mandatory contracts, optional use contracts, and pricing agreements shall be placed through eVA (see 14.4a and 14.4b). As directed by the Governor's Chief of Staff's memorandum to Heads of Executive Branch Agencies and Institutions of Higher Education, dated May 16, 2002, eVA shall be used to the fullest extent possible. To the fullest extent possible requires, among other items, the sending of orders electronically to vendors through the eVA Portal and storing purchase order data in the eVA data warehouse. Agencies and institutions are expected to utilize eVA through one of the following options:

- ? Agencies with enterprise resource planning (ERP) systems can process purchases using their ERP procurement tools, but must send all purchase orders to vendors through the eVA Internet portal or process purchases using the eVA procurement tools available.
- ? Agencies without ERPs can use eVA as their total procurement and order delivery system.

Guidance for contract officers on when to use the eVA Business-to-Government Vendor Registration clause, General Term and Condition X and the Price Escalation/De-escalation clause, Special Term and Condition 43, in Appendix B, is shown in the table below:

Contract Type	Guidance for Contract Officers
New 1-year term contracts without renewals	Include revised General Term & Condition X and the revised Escalation/De-Escalation Special Term & Condition, #43.
New 1-year term contracts with renewals	
New multi-year term contracts (e.g., 3-year contract with annual renewals thereafter)	
Existing multi-year term contracts without General Term & Condition X. (e.g., 3-year contract with annual renewals thereafter)	At renewal or prior to renewal and no later than July 1, 2003, modify existing multi-year contracts to include the revised General Term & Condition X and the revised Escalation/De-Escalation Special Term & Condition, #43.
Existing multi-year term contracts with the older version of General Term & Condition X. (e.g., 3-year contract with annual renewals thereafter)	
Existing annual term contracts (e.g., 1-year with annual renewals)	
Spot purchases	Include the revised General Term & Condition X.

- a. Exclusions, regardless of dollar value, include the procurement types listed below. At the option of the agency or institution, purchases of the following types of goods and services may be placed through eVA.

(Note: No changes on page 14-5)

14.9 b Add the following wording as #16, as under review and excluded from eVA:

16. Contracts with commercial fisherman for replenishment, research and stock assessment activities.

Appendix A: Delete the definitions of Designated Public Area and Public Posting.

Appendix B, Section I, Clause A:

- A. **VENDORS MANUAL**: This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at www.dgs.state.va.us/dps under "Manuals."

Appendix B, Section I, Clause U., Announcement of Award

- PIM 98-011
- U. **ANNOUNCEMENT OF AWARD:** Upon the award or the announcement of the decision to award a contract over \$30,000, as a result of this solicitation, the purchasing agency will publicly post such notice on the DGS/DPS eVA web site (www.eva.state.va.us) for a minimum of 10 days.
- * **When Used:** Include in all solicitations over \$30,000.

Appendix B, Section I, Clause X, eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION.

- X. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION:** The eVA Internet electronic procurement solution, web site portal www.eva.state.va.us, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service, and complete the Ariba Commerce Services Network registration.

Vendors are strongly encouraged to register prior to submitting a bid or offer. Failure to register will result in the bid being found non-responsive and rejected. All vendors must register in both the eVA and the Ariba Commerce Services Network Vendor Registration Systems.

- a. eVA Basic Vendor Registration Service: \$25 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is \$500 per order. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, and electronic bidding, as they become available.
- b. eVA Premium Vendor Registration Service: \$200 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is \$500 per order. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments, and ability to research historical procurement data, as they become available.

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Effective until July 1, 2003, the Commonwealth will direct AMS not to invoice for the 1% transaction fee for orders issued during the period July 1, 2002, through June 30, 2003, to allow additional time for vendors to become electronically enabled. AMS will continue to invoice for transaction fees accrued prior to July 1, 2002. To enable vendors to analyze the future impact of transaction fees, AMS will issue "no pay" invoices for transaction fees that would normally accrue during the period of July 1, 2002, through June 30, 2003. For contracts that extend beyond June 30, 2003, contractors may request price adjustments to incorporate the eVA transaction fee, as provided in the Price Escalation/De-escalation clause in the Special Terms and Conditions of the contract.

- c. Ariba Commerce Services Network Registration. The Ariba Commerce Services Network (ACSN) registration is required and provides the tool used to transmit information electronically between state agencies and vendors. There is no additional fee for this service.

* **When Used:** Include in all solicitations, contracts, and contract renewals. In addition, this General Term and Conditions must be incorporated or incorporated by reference in all purchase orders issued by state agencies and institutions.

Appendix B, Section II, Special Terms and Conditions, Clause #43:

- PIM 98-011 → 43. **PRICE ESCALATION/DE-ESCALATION:** Price adjustments may be permitted for changes in the contractor's cost of materials not to exceed the increase in the following index/indices: _____. Price adjustments may also be allowed if the Commonwealth institutes an eVA transaction fee to be paid by Vendors effective July 1, 2003. No price increases will be authorized for ____ calendar days after the effective date of the contract, except for the eVA transaction fee. Price escalation may be permitted only at the end of this period and each ____ days thereafter and only where verified to the satisfaction of the purchasing office. However, "across the board" price decreases are subject to implementation at any time and shall be immediately conveyed to the Commonwealth.

Contractor shall give not less than 30 days advance notice of any price increase to the purchasing office. Any approved price changes will be effective only at the beginning of the calendar month following the end of the full 30 day notification period. The contractor shall document the amount and proposed effective date of any general change in the price of materials. Documentation shall be supplied with the contractor's request for increase which will: (1) verify that the requested price increase is general in scope and not applicable just to the Commonwealth of Virginia; and (2) verify the amount or percentage of increase which is being passed on to the contractor by the contractor's suppliers.

The purchasing office will notify the using agencies and contractor in writing of the effective date of any increase which it approves. However, the contractor shall fill all purchase orders received prior to the effective date of the price adjustment at the old contract prices. The contractor is further advised that decreases which affect the cost of materials are required to be communicated immediately to the purchasing office.

* **When Used:** For annual goods contracts where, because of rapidly changing market conditions, a firm fixed price cannot be secured for one (1) year or more. The number of days that should be entered by the agency in the blank space are 30, 60, 90 or 180 days, depending on the commodity and how frequently costs change. Examples of indices to be used are the Producer Price Index (PPI) and the Consumer Price Index (CPI). Price adjustments may also be allowed if the Commonwealth institutes an eVA transaction fee to be paid by Vendors effective July 1, 2003.

Appendix B, Section II, Special term and condition #45 – Printing

- PIM 98-011 → 45. **OVERRUNS/UNDERRUNS:** Bids for printing will be rejected if the quoted overrun cost equals or exceeds the base lot price quoted for the equivalent incremental unit quantity. On bids for multiple part forms, envelopes, and signage, the additional overrun quoted shall not exceed the base lot price quoted for the equivalent incremental quantity. The agency may at its discretion accept an underrun, provided credit is allowed the agency at the full base price per unit for the quantity of the underrun.
- * **When Used:** Must be included in all printing solicitations.